A RESOLUTION OF THE CITY OF EL PASO, TEXAS, SUPPORTING A DELAY OF RETAIL COMPETITION FOR EL PASO ELECTRIC COMPANY

WHEREAS, no electric utility in the Western Electricity Coordinating Council has successfully implemented full retail competition; and

WHEREAS, the Federal Energy Regulatory Commission has mandated the development of regional transmission organizations ("RTOs") to facilitate competition at the wholesale level; and

WHEREAS, no RTO has developed that includes El Paso Electric Company ("EPE"); and

WHEREAS, the state of New Mexico, under whose jurisdiction EPE also provides service, has postponed indefinitely the implementation of retail electric competition; and

WHEREAS, no Texas electric utility outside of the Electric Reliability Council of Texas ("ERCOT") has successfully implemented retail competition; and

WHEREAS, the City of El Paso, having considered the foregoing, is of the opinion that EPE will be unable in the near future to offer fair competition and reliable service to all retail customer classes in its service territory;

NOW, THEREFORE, BE IT RESOLVED by the City of El Paso that retail electric competition is not appropriate for the City of El Paso at this time.

2004.	ADOPTED by the CITY OF EL PASO, TEXAS, this day of,
	The Honorable Joe Wardy, Mayor
ATTE	ST:

Secretary